



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

JAMIE CLOVER ADAMS
DIRECTOR

December 7, 2018

TO ALL MICHIGAN GRAIN DEALERS:

There are a couple of updates to keep in mind as you move forward:

- In accordance with MCL 285.68 of the Grain Dealers Act, MDARD may adjust the fee schedule in subsection (1) by an amount determined by the state treasurer to reflect the cumulative annual percentage change in the Detroit consumer price index over the one-year period. The adjustment shall not exceed 5% and shall be rounded to the nearest \$5 increment. In 2018, the Detroit consumer price index rose 2.6%. Therefore, on January 1, 2019, MDARD will increase license fees for the 2019 calendar year by 2.6% with the updated license fee schedule as listed below.

2019 LICENSE FEE SCHEDULE	
For each receiving point that has a total bushel capacity of:	
100,000 or less	\$525.00
More than 100,000 and 200,000 or less	\$655.00
More than 200,000 and 300,000 or less	\$785.00
More than 300,000 and 400,000 or less	\$920.00
More than 400,000	\$1,045.00
Grain Merchandiser	\$1,045.00
GRAIN TRUCKS:	
1 vehicle	\$525.00
Each additional vehicle	\$210.00

- On June 26, 2016, Governor Rick Snyder signed legislation (Public Acts 263 of 2016) that amended the Grain Dealers Act to establish a priority for producers and lenders for farm produce, effective at the time of the delivery of the farm produce for sale or storage under a bailment agreement or when funds are advanced by the lender, and shall terminate when the liability of the grain dealer to the claimant is discharged. The one-year phase-in period ended on September 26, 2017. The Michigan Department of Agriculture and Rural Development (MDARD) recommends that you have a discussion with your financial institution regarding the changes in priority for producers holding price later agreements. Financial institutions that hold collateral warehouse receipts will still have priority over holders of price later agreements.

For a copy of the license application and legislation, please visit our website at www.michigan.gov/graindealers. If you have any questions, please contact me at 517-284-5642 or haarerj@michigan.gov. Thank you for your cooperation.

Sincerely,

Jeff Haarer, CPA, JD, Manager
Producer Security/Agricultural Products

JGH/hct

Enclosure